

Spring August 2012

Essay: Housing Trends for the 21st Century

Ellen Hirsch de Haan

Follow this and additional works at: <https://scholarship.law.marquette.edu/elders>



Part of the [Elder Law Commons](#)

Repository Citation

Haan, Ellen Hirsch de (2012) "Essay: Housing Trends for the 21st Century," *Marquette Elder's Advisor*. Vol. 5: Iss. 2, Article 6.

Available at: <https://scholarship.law.marquette.edu/elders/vol5/iss2/6>

This Essay is brought to you for free and open access by the Journals at Marquette Law Scholarly Commons. It has been accepted for inclusion in Marquette Elder's Advisor by an authorized editor of Marquette Law Scholarly Commons. For more information, please contact elana.olson@marquette.edu.

ESSAY: HOUSING TRENDS FOR THE 21ST CENTURY

Ellen Hirsch de Haan*

Housing comes in all shapes, sizes, heights and configurations: single family homes, rental apartments, condominiums, cooperatives, homeowner, property owner and planned unit development communities governed by associations, master associations, manufactured housing parks, and any combination of these.

A growing proportion of housing – more than eighty percent over the past fifteen years – has been developed under the governance of a mandatory membership association. A set of covenants and rules run with the land, regulating and providing for use of common property, and defining rights and obligations of the owners, residents, and association. These membership communities offer the opportunity for residents to interact and work together, and occasionally, the opportunity for conflict over rules governing property behavior.

In the United States, condominiums, cooperatives and planned communities, all of which by law have associations, have developed in phases over the last 150 years. In fact, planned communities were first developed in the 1820's. Cooperatives arrived from Europe around 1900, and condominiums being created in larger numbers following the adoption of modifications to the Federal Housing Administration law in 1961. With improved transportation and an abundance of land and resources, the first suburbs were developed around the major cities on the eastern coast of the

* Ellen Hirsch de Haan is a Shareholder with Becker & Poliakoff, P.A., specializing in the practice of Community Association Law, representing condominium, cooperative, timeshare and homeowner associations. She is a member of the American Bar Association Committee on Condominiums, Cooperatives and Associations, and is also a member of the Board of Advisors of the University of Miami School of Law Institute on Condominium and Cluster Developments. She is also the author of SELF-MANAGEMENT: A GUIDE FOR THE SMALL COMMUNITY ASSOCIATION, published by Community Associations Press, Alexandria, Virginia.

United States, following the streetcar lines. Then, with the development and expansion of the railroads, a mobile population followed jobs and family all over the country. Eventually, inner cities became the homes primarily of the first generation immigrant populations and those who could not afford to own their own homes or their own cars. This became the locus of older housing without residential governance.

Today, based on best estimates, there are 215,000 community associations in the United States, with 18 million housing units and 42 million residents. Most new housing development includes some form of some kind of community association. Communities governed by associations will continue to be built in record numbers.

Newer low maintenance housing and housing with maintenance tended by association is attractive to many. A number of trends converge around these issues. For example, recent studies have shown that consumers buy their most expensive homes at the average age of forty-seven, when work and family demands as well as income are high. Homes with a minimum of householder responsibilities are very attractive to elders and many others. And, second homes and real estate that is likely to be well maintained interests investors, given the volatility of the stock market.

CURRENT REALITY AND HOUSING TRENDS

A look at community associations, the residents in them and the buildings governed:

First, the structural components of many of our buildings are aging. Some of the buildings were constructed in the late 1960's and early 1970's and some deterioration is timely. Those built more recently might deteriorate because they are on the water and affected by the salt air and the sun. Concrete restoration of walkways and balconies, and rebuilding of recreational amenities, has taken the place of new construction, as we run out of land on which to build.

The deterioration of the physical structure means higher costs for the residents. In the wake of hurricanes and other storms, floods, fires, and so on, associations pay increased costs of insurance. Because the insurance market is global, a community association may face large increases in premiums, sometimes as high as 100% or more per year, even without a

record of losses in the geographic vicinity.

Residents living in community association housing are also aging. A growing number prefer remaining in a unit or a home, with or without at-home care, beyond the point at which individuals in the past more often went to nursing home and assisted living facilities. The community association and the community itself may not be prepared to respond to the special needs of aging residents. Boards of directors are not trained to be social workers, mental health professionals, or health care givers. Elders may have few options for more appropriate housing; older persons set up in a condominium unit by their families may then be neglected, with the hope that low maintenance housing and association management will care for them. This problem is no longer limited to Florida and other traditional retirement Mecca's.

The phenomenon of aging populations within the units, with diminishing health and capacity, can only foreseeably accelerate. In 1995, the *U.S. Department of Commerce and U.S. Department of Housing and Urban Development: American Housing Survey for the United States in 1995* (Washington, D.C., Gov't Printing Office, 1997) showed thirty-three percent of American homes occupied by individuals age fifty-five and over. Between the years 1998 and 2010, the population in the fifty-five plus age group is expected to increase by more than thirty-six percent, according to the U. S. Census Bureau.

Planned retirement housing with resident associations once clustered predominantly in Florida, Arizona, Texas, California and Nevada. Today, an estimated 205,000 community associations, with more than 16.4 million units, exist in every part of the country. A growing number of seniors have chosen to remain in their homes and familiar surroundings, rather than moving to retirement housing, creating the phenomenon of the NORC, the Naturally Occurring Retirement Community. People routinely decide to stay in the towns in which they retired, near friends and family. As with condos and planned developments, these communities lack the resources to meet the needs of a retirement population. Since the NORC looks to government for services, it is government that will be called upon to meet the needs.

THE DYSFUNCTIONAL REALITY OF SPRAWL

Much of new construction has followed the path of urban sprawl, a product of comprehensive development plans of the past. Urban sprawl occurs when building is distributed on growing sectors of available land, with little regard for environmental impact, aesthetic issues, or the ability of the local governing bodies to provide the necessary infrastructure for water, sewer, electric, roadways, schools, and recreation. The sprawl pattern includes widespread, low-density residential and commercial settlements; leap-frogging development around and beyond already established communities, without regard for design or function; increasing dependence upon personal automobiles, and a decrease in the availability of public transportation; little or no centralized planning or control of land use, until after the damage has been done; widespread strip commercial development; segregation of specialized types of land uses in separate zones; and very little planning for low income housing. In 1920, when traditional zoning began to be adopted as a model, an average of 6,160 people lived in a square mile; in 1990, an average 2,589 people live in a square mile.

Such development diminishes the quality of life for millions of Americans. In general, sprawl causes traffic congestion and long commutes, air pollution, and squandering of energy resources. For many, particularly the elderly and disabled with limited transportation, an increasing feeling of personal isolation attaches to living, and a sense of community isolationism.

CURRENT ISSUES AND CHALLENGES FOR A CHANGING COMMUNITY

For elders who do not choose and move to age-segregated housing, communities will include the succeeding generations. What are the issues challenging new or existing communities that provide mixed-age housing, and how are we going to deal with them in the 21st Century? A summary of the widely observed generalizations about the four generations that will live together in significant numbers:

- The Matures were born between 1920 and 1945. They are the last of the veterans of the World and Korean Wars, and are also called the "Silent Generation." This generation is all about sacrifice. They went through the Great Depression, and they recycle. Their heroes were military figures. They hold to the belief that a rule is a rule. And they feel that change is good, as long as it is the type of change they have envisioned. The Matures defined the world in which we lived for many years, but have now moved aside to make room for the Baby Boomers. The parents of the Baby Boomers, who remember the Great Depression but were too young for war, saw home ownership as the ultimate signal of success.
- The Baby Boomers, born between 1945 and 1964, are approximately 77 million in number. The general character of the group is said to be workaholics who believe in teamwork and democracy. Boomers don't take sick days, and they value loyalty. They don't necessarily see the need to follow rules. Their heroes tend to be national figures, like John Fitzgerald Kennedy and Martin Luther King; and until approximately 2030, we are likely to continue to have Baby Boomer generation Presidents in the United States. The Boomers share with the Matures a sense of history and the value of craftsmanship, the concept of "built to last." They invented the idea of "meaningful work," and the workplace continues to be a part of their self-identity.

Some of the Boomers, who have reached a level of economic success, are now looking to recapture a quality of the life they remembered growing up. They are looking for an interesting and convenient place to live, with the possibility of becoming involved in the community. They don't want to cocoon, they want to congregate. They are looking for an "old-fangled new town." There must be an "architecture of engagement" inherent in designing a platform from which a new kind of community will grow.

It is suggested that Boomers will never concede they are "old." Witness the growth of exercise programs and gyms attended by this age group in numbers. Susan

Sarandon appears on the cover of AARP's *Modern Maturity* (Sept.-Oct. 1999) featuring an article *Great Sex – What's Age Got to Do With It?*

Yet, as a group, Boomers are not so interested in doing the community governance work themselves. If they do not get involved in planning and governance of our communities, there will be a dramatic increase in the use of professional community association management teams to take care of the day-to-day operations of the communities, freeing members for other pursuits.

- The Generation X'ers, born between 1965 and 1977, are approximately 44 million in number. This group was raised in an environment in which both parents worked. They question their parents' values, and feel that jobs and housing are disposable. This generation places greater value on family and personal life than the Boomers, and feels that a balanced life is more important than professional accomplishments. Generation X'ers are not looking to make an investment in a home, but rather to find a house that suits either lifestyle for now, and that can be passed on when outgrown or uninteresting. For this generation, housing is disposable.
- The Generation Y's, also called the Echo Boomers, born between 1977 and 2000, number about 80 million (approximately thirty-three percent of the U.S. population). For the first time in a very long time, the Baby Boomers are not the largest generation. By the year 2010, those age thirty-three and younger are expected to number 137 million, or forty-six percent of the U.S. population. Many in this group have been protected and provided for. Many of them have always known the Internet, laptops, and cell phones. Because of ubiquitous remote controls, some have never physically touched a television set. Children born in 1984 remember a United States in which presidents from the southern states have always held office. Apartheid, South Africa's official policy of racial segregation, has not existed in their lifetime. Cars have always had CD players and air bags. Weather reports have always been available twenty-four hours a day on television. Genetic testing and DNA

screening have always been available. The United States and Russia have always been partners in space, and a hotline is a consumer service, rather than a phone used to avoid an accidental nuclear war.

It is said that Generation Y's focus on individual choices, goals and futures. An interesting example of a marketing campaign to appeal to this generation is the military services ad, which touts the "Army of One."

- A generation with a job not a birth date: the Sandwich. Longer life spans have brought the rise of the Sandwich Generation: individuals in their 40's and 50's who are still caring for their own children, and for their aging or infirm parents. Today, many are Boomers but some are X'ers and even Y's with parents prematurely old because of disability. In general, however, the old with increasing frequency are caring for the older. In one case, the mother, who was 103 years old, moved in with her sixty-six year-old daughter and her husband. While this is laudable intra-family caring, inevitably that daughter concentrates on the greater immediate needs of her mother over her own planning for her own already-arrived retirement. According to an article published on September 18, 1995 in the *Miami Herald*, seventy-five percent of such caregivers are women so the financial pie to be shared may be statistically smaller because the women have earned less throughout their lifetimes. Regardless of whether the aging parent and children live together, the older generation claims a larger share of concern far longer than in past generations.

Attitudes toward housing, and economic circumstances, vary. In the 1960's (prime time for Matures to buy their "big" house), consumers looked for "the house." In the '70's, the subdivision and the master plan were important. In the 1980's and 1990's, when more Boomers exercised their housing choices, lifestyle was the commodity.

Generational differences in taste must be mediated by the very design of housing stock. And, changing decades bring new issues to the fore. Year 2020 will bring a 14% increase in the number of people over the age of eighty, with the greatest percentage increase in the group age 100 plus. At once, there will

be a 21% increase in the number of people age fourteen and under. As Boomers move past mid-life, the number of people age thirty-five to forty-nine will drop 14%. Most will live in age diverse communities. Practice for the future is in progress: In this first decade of the 21st Century, 60% of first time homebuyers are expected to be minorities and immigrants.

THE ECONOMICS OF RETIREMENT

For many reasons, including inadequate income, catastrophic illness or death of a spouse, and lack of professional assistance and advice, some who have reached retirement age did not or were not able to financially plan for retirement. Others outlive their savings. Social Security, originally designed to support a retired person for four or five years, now provides support for fifteen to twenty years after retirement. The volatility of the stock market and interest rates has significantly impacted retirement funds for those who were able to put some money away. This affects the individual's options to age in place or to move to retirement housing and pay assessments to the community association.

Changing dynamics in household membership affect the financial options of household members. A survey published in the *Miami Herald* (September 16, 1995) showed that unmarried couples over the age of forty-five were the fastest growing type of household in Florida, and across the nation. Singles of all ages and sexual orientations are moving in together for mutual emotional support, health care and social company, as well as to pool finances for a better quality of life. The short-term financial impact is good, but planning for future need is likely to be less valued than in many traditional family households.

APPROACHES AND SOLUTIONS FOR A NEW CENTURY

New approaches are already in the works in terms of neighborhood zoning, work, communications, housing design, and public and recreational spaces.

MULTIPLE TIERS

A preferred option for more affluent elders is multi-tiered communities for fully independent living, and then for gradually

increasing degrees of assistance to full nursing home facilities, all within the same project. Of course, we still have the problem of healthy and vital individuals who do not want to be reminded of incipient decrepitude, and who do not like having the hospital facility located prominently in the community. Still, the multi-tiered community does provide a measure of peace of mind, since an occupant who has no family knows he or she will be cared for as time passes and capacity diminishes.

Municipalities will need to review services and make changes to accommodate individuals who are now staying in their pre-retirement homes. This will need to be done not only at the governmental level, but also in the private sector at the level of service and goods providers who will have to meet the new market needs of in-home services and delivery.

MIXED USES AND HIGHER DENSITY

In the short run, the trend for new housing development is finally turning toward rediscovering and encouraging the sense of community in community associations. And architects and planners are now becoming involved and committed to the new approach. The general concept is to recreate traditional neighborhood development (TND), mixed-use communities, which include commercial sites within the residential community boundaries. These might include a grocery store, a drugstore, a dry cleaner, and an exercise complex. These communities are pedestrian friendly, and relieve the current dependence on having a car. The idea is to enable those who do not drive, or who do not wish to drive—a group which might include anyone from seniors to children—to have access to basic services, activities and recreation, within walking distance of home. The TND mixture also includes different styles of housing stock to provide choices of design and price and to add visual interest in the design of the community. Communities mix large single-family homes with smaller townhouses and small apartment buildings, not only in the same neighborhood but even on the same block. The TND returns us to a mix of ages, life stages, and incomes.

New housing designs include a return to the use of front porches to encourage residents to sit outside and interact with their neighbors; alleys and rear garages for driving and parking cars; walking paths and sidewalks; exercise paths, bicycle and

rollerblading paths; and a great deal of landscaping including flowers and trees. Zoning laws and growth plans generally must change to allow such mixed use, and to encourage formative use of public space, changing the old default position of designating the unbuildable or scrap space left at the end of development to use as public space.

Buyers are returning to the downtown areas, and developers respond by renovating, recycling, and rebuilding in the inner cities. "Living in the Fun Zone," near entertainment and restaurants is catching on in downtown Chicago. In the South of Market Area of San Francisco, formerly industrial areas have been converted to housing, both sale and rental; shopping; and entertainment uses.

The commercial development might look like Main Street in Celebration, Florida, with a mix of dwellings over the ground level retail space, and the annual association meeting held in the movie theater at town center, complete with soft drinks and popcorn. The clubhouse facility of the condominium or co-op might include a small cluster of stores instead of just meeting and recreational facilities.

THE VIRTUAL COMMUNITY FOR BUSINESS AND GOVERNANCE

Mixed uses and "information age" technology have important implications for the growth of home-based businesses. Futurists predict that more than half of the work force will be working out of their homes, using their computer systems and taking advantage of internet business, possibly within five years. More elders work and, with the home business trend, we will see a new definition or even the disappearance of retirement as we know it.

Technological advances will also affect the function of community associations. They are beginning to use the internet to create a virtual "front porch" by means of a community website where residents can access the schedule of events, minutes of the board meetings, financial reports, copies of the association documents, information about the community, chat rooms and bulletin boards. Direct links contact relevant sites in county, city, state and federal government for information and access to laws and congressional representatives. Residents may attend community association membership meetings via the net; maybe a meeting can be held entirely on the net rather than in a

meeting room.

Seniors already are utilizing Internet connections that can compensate for losses of mobility by logging on to the Internet in record numbers. Indeed, the fastest growing demographic group of people using the Internet is over the age of fifty. Seniors help to fill introductory courses in computer use and Internet access at local colleges. SeniorNet, a paid membership website encourages seniors to use the Internet to enrich their lives. Even the feelings and relationships of people over fifty-five may be affected: American Online (AOL), for example, hosts a website love section that gives seniors an opportunity to meet. AOL estimates that its services have sparked as many as 10,000 marriages, many among the elderly.

ADAPTED HOUSING DESIGN

There will be many more smart houses, i.e., houses with programmed services integrated into their design and function. Smart houses may be either new construction, or in the retrofitting of already existing housing stock. In response to the emphasis on in-home assistance, builders will move from "bricks and sticks" to "clicks and sticks." Houses will routinely be wired for high-speed and broadband access just as electricity is now.

As they approach retirement and seek houses for their mature years, some Baby Boomers are already buying or building houses with all living space on a single floor. Or, if the house has more levels, a master bedroom and bath suite is located on the ground floor to enable the residents to live comfortably on the first level if desirable or necessary because of health or age. Many changes to housing design institutionalized by the Americans with Disabilities Act benefit these householders. For example, sinks and doors use levers instead of knobs. Doorways and halls are widened to allow wheelchair access. Exits have gradual sloping paths, rather than steps. Showers have a pull down seat and walls reinforced to support grab bars. Ovens open from the side to avoid reaching over a hot door.

Other adaptations prepare for the more distant or disabled future. For example, some two-story homes have stacking closets, one above the other, to allow for the installation of a small elevator in the future, if needed, or if desired to enable the

resident to remain in his/her home. Some new homes in higher price ranges already have elevators installed. This is particularly helpful for waterfront construction, in which the living quarters begin on what would have been the second floor because of flood zone requirements. The elevator may take on greater significance since, as land becomes increasingly scarce, expansion will be up rather than out.

An important aspect of design for the future is adaptability to varied residents. The same-size housing unit is attractive to a variety of consumers, such as: the empty nester, the retiree, and the couple or single person without children. The future will bring a larger diversity of population within communities and associations, and a variety of cultural and ethnic backgrounds.

URBAN INFILL AND GREEN COMMUNITIES

A desirable trend leads to so-called smart growth and urban infill. That is, building will more often be in the undeveloped spaces in existing communities, and replacing deteriorated buildings. In general, smart growth includes making use of already existing resources, and not permitting unlimited growth just because a piece of property exists. Smart growth includes planning for access to and expansion of public transportation, usable sidewalks, recreation areas, greenspace, and exercise trails. The developer of the future will think beyond building houses to create extra intangible value and a sense of community to attract buyers.

Such growth management takes into account the actual and implicit costs of sprawl, including tax liability. It includes respect for and conservation of the earth's natural resources by assuming the value of compact, high-density communities with more green spaces and reduced infrastructure costs. The shift to a smaller community for many purposes reduces reliance on autos and implies improvement of air and water quality. For urban centers, it means rediscovery of the core of our cities and towns. The result is a net gain for the local—and possibly other—governments.

Green communities are designed in harmony with the topography of the building site, incorporating trees and uneven terrain, to create an aesthetic effect with market value. Typically, designs in green communities use ecologically sound building materials, including recycled products and other

materials with little manufacturing impact on energy and air, resources and ecology. Green construction promotes indoor air quality and reduces dependence on cars. It employs natural heating and cooling, such as sun and shade. Green design houses generally follow Frank Lloyd Wright's concept of harmony as a dynamic of development. Design extends to environmentally sustainable landscaping practices.

PREDICTIONS FOR UTOPIA ALREADY IN PROGRESS

Part of the strength of this country is that it was built from its inception on cultural, racial and ethnic diversity. New diversity in compact communities brings new challenges in creating a sense of participation by which all residents understand the ground rules that allow shared living spaces. Inevitably, most will have such shared use of space. The alternative is an exclusionary community that invests significant energy in maintaining its protection from all others.

Yet, the energy for more positive use of our communal and individual resources already shows its potential. The inner cities are undergoing widespread gentrification, rebuilding, and infill. In some cities, a mixture of residential and commercial uses, and a range of prices to accommodate all levels of buyers. The revitalization of inner cities will no longer mean the displacement of those who have the fewest resources or options for moving elsewhere. Ideally, housing designs will help recreate a sense of history, valuing aesthetics and individual expression over cookie-cutter uniformity of exterior appearance.

Better understanding of the tensions of a diverse community will prevail. We will recognize the inherent social tensions of trying to balance people and private property and focus on improving relationships rather than legal compliance. Volunteers, including retirees, will work in hospitals and schools, providing some of the tolerance that creates community.

Ideally, government will endorse conservation of greenspaces, wetlands, and other environmental assets. Compact livable communities will include generous access to parks, playgrounds, trails, and natural open space. New communities will consume less land and require fewer infrastructures.

All this requires learning from mistakes and successes by studying a community while avoiding mass duplication of any single template. A good idea will nevertheless take into consideration the differences among building sites, local resources, community needs and market demands.

Finally, I foresee that we must and we will all realize we are the stewards of the planet's resources, spaces, and people, and we have an obligation to be wise and judicious in our decisions and implementation of our choices in business, government and neighborhoods.